

Testimony on Proposed Amendments to 101 CMR 347.00  
Freestanding Ambulatory Surgery Centers  
Effective date: October 1, 2021  
June 22, 2021

## **Introduction**

Good morning. My name is Davina Maddox and I am the MassHealth program manager for Freestanding Ambulatory Surgery Centers in the Office of Provider and Pharmacy Programs within the Executive Office of Health and Human Services (EOHHS). I am here to present testimony on the proposed amendments to 101 CMR 347.00: *Freestanding Ambulatory Surgery Centers*. The proposed amendments are anticipated to be effective on October 1, 2021.

## **Background**

101 CMR 347.00 governs the rates of payment used by state governmental units to pay eligible freestanding ambulatory surgery centers (FASCs) for services provided to publicly aided individuals. Rates for FASC services included in this regulation cover the facility component of the provided service only, and do not provide payment for the professional services of physicians, dentists, or podiatrists in performing the surgical procedure.

## **Description of Proposed Amendments**

Proposed amendments contain updates to rates for FASC services, and other coding updates. EOHHS is proposing these amendments to ensure that payment rates are consistent with efficiency, economy, and quality of care, and to satisfy the requirements of M.G.L. 118E, sections 13C and 13D.

## **Rate Updates**

The proposed amendments update all rates for FASC services at 85% of the national Medicare rates as set forth in “Addendum AA -- ASC Covered Surgical Procedures for CY 2020”, published by the Centers for Medicare & Medicaid Services (CMS) in October 2020 (“October

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2020 CMS ASC File”). Establishing rates at 85% of the national Medicare rates is consistent with the current rate methodology.

### **Coding Updates**

The proposed amendments also incorporate Administrative Bulletin 21-05 which includes the January 2021 annual CPT/Healthcare Common Procedure Coding System (HCPCS) updates using the January 2021 CMS ASC Files. Rates for the added codes are set at 85% of the national Medicare rates, consistent with the proposed rate methodology.

### **Estimated Fiscal Impact**

It is estimated that the annual aggregate MassHealth expenditures on FASC services will increase by approximately \$299,000 (11.4%) over \$2.6 million base spending as a result of the proposed amendments.

This concludes my testimony.

Thank you.